



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-883]

**Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2019-2020**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily finds that the producers/exporters subject to this review made sales of subject merchandise at less than normal value during the period of review (POR), October 1, 2019, through September 30, 2020. We invite interested parties to comment on these preliminary results.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Christopher Williams or Thomas Schauer, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482- 5166 or (202) 482- 0410, respectively.

**SUPPLEMENTARY INFORMATION:**

Background

On October 3, 2016, Commerce published in the *Federal Register* an antidumping duty order on certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea).<sup>1</sup> On October 1, 2020, we published in the *Federal Register* a notice of opportunity to request an administrative review of the *Order*.<sup>2</sup> On December 8, 2020, based on timely requests

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<sup>1</sup> See *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016) (*Order*).

<sup>2</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 85 FR 61926 (October 1, 2020).

for an administrative review, Commerce initiated an administrative review of ten companies.<sup>3</sup> On June 8, 2021, Commerce extended the time limit for issuing the preliminary results of this review by 60 days to no later than September 1, 2021.<sup>4</sup> On August 16, 2021, Commerce fully extended the time limit for issuing the preliminary results of this review by an additional 55 days to no later than October 26, 2021.<sup>5</sup>

### Scope of the *Order*

The products covered by this *Order* are hot-rolled steel. A full description of the scope of the *Order* is contained in the Preliminary Decision Memorandum.<sup>6</sup>

### Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying these preliminary results, *see* the Preliminary Decision Memorandum. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum is available at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Rates for Non-Examined Companies

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<sup>3</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 78990 (December 8, 2020).

<sup>4</sup> See Memorandum, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2019-2020," dated June 8, 2021.

<sup>5</sup> See Memorandum, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2019-2020," dated August 16, 2021.

<sup>6</sup> See Memorandum, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review; 2019-2020," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

The statute and Commerce’s regulations do not address the establishment of a rate to be applied to companies not selected for examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally “an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or de minimis margins, and any margins determined entirely {on the basis of facts available}.” In this review, we preliminarily calculated weighted-average dumping margins for the two mandatory respondents, Hyundai Steel Company (Hyundai Steel) and POSCO,<sup>7</sup> that are not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly, Commerce preliminarily assigned to the companies not individually examined, listed in the chart below, a margin of 3.50 which is the weighted average of Hyundai Steel’s and POSCO’s calculated weighted-average margins.<sup>8</sup>

#### Preliminary Results of Administrative Review

We preliminarily determine that the following weighted-average dumping margins exist for the period October 1, 2019, through September 30, 2020:

<b>Exporter/Producer</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Hyundai Steel Company	4.03
POSCO/POSCO International Corporation	2.43

<sup>7</sup> We initiated this review with respect to POSCO and POSCO Daewoo Corporation. We preliminarily find that POSCO International Corporation is the successor-in-interest to POSCO Daewoo Corporation and we are preliminarily treating POSCO and POSCO International Corporation as a single entity, hereinafter collectively referred to as POSCO. *See* Preliminary Decision Memorandum.

<sup>8</sup> For more information regarding the calculation of this margin, *see* Memorandum, “Preliminary Results of Antidumping Duty Administrative Review of Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Calculation of the margin for Non-Examined Companies,” dated concurrently with this notice. As the weighting factor, we relied on the publicly ranged sales data reported in the quantity and value charts submitted by Hyundai Steel and POSCO.

## Review-Specific Average Rate Applicable to the Following Companies

<b>Exporter/Producer</b>	<b>Average Dumping Margin (percent)</b>
Dongkuk Industries Co., Ltd.	3.50
Dongkuk Steel Mill Co., Ltd.	3.50
KG Dongbu Steel Co., Ltd.	3.50
Marubeni-Itochu Steel Korea, Ltd.	3.50
Snp Ltd.	3.50
Soon Hong Trading Co.	3.50
Sungjin Co., Ltd.	3.50

### Disclosure and Public Comment

We intend to disclose the calculations performed to parties within five days after public announcement of the preliminary results.<sup>9</sup> Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than seven days after the date for filing case briefs.<sup>10</sup> Commerce modified certain of its requirements for serving documents containing business proprietary information until further notice.<sup>11</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>12</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. An electronically filed hearing request must be received successfully in its entirety by Commerce's

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<sup>9</sup> See 19 CFR 351.224(b).

<sup>10</sup> See 19 CFR 351.309(d); *see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020) ("To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications remain in effect).")

<sup>11</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>12</sup> See 19 CFR 351.309(c)(2) and (d)(2).

electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.

Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless extended, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

#### Assessment Rates

Upon completion of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. If either of the respondents' weighted-average dumping margins is not zero or *de minimis* (i.e., less than 0.50 percent) in the final results of this review, we intend to calculate an importer-specific assessment rate based on the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).<sup>13</sup> If either of the respondents' weighted-average dumping margin or an importer-specific assessment rate is zero or *de minimis* in the final results of review, we intend to instruct CBP not to assess duties on any entries in accordance with the *Final Modification for Reviews*.<sup>14</sup> The final results of this administrative review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>15</sup>

For entries of subject merchandise during the POR produced by either of the respondents for which they did not know that the merchandise was destined to the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>16</sup>

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<sup>13</sup> See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101, 8103 (February 14, 2012).

<sup>14</sup> *Id.* at 8102-03; see also 19 CFR 351.106(c)(2).

<sup>15</sup> See section 751(a)(2)(C) of the Act.

<sup>16</sup> For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

For the companies identified above that were not selected for individual examination, we will instruct CBP to liquidate entries at the rates established after the completion of the final results of review.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication in the *Federal Register* of the notice of final results of administrative review for all shipments of hot-rolled steel from Korea entered, or withdrawn from warehouse, for consumption on or after the date of publication as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the respondents will be equal to the weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by a company not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published in the completed segment for the most recent period; (3) if the exporter is not a firm covered in this review or the original investigation but the producer is, then the cash deposit rate will be the rate established in the completed segment for the most recent period for the producer of the merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be 6.05 percent, the all-others rate established in the less-than-fair-value investigation.<sup>17</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

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<sup>17</sup> See *Order*, 81 FR at 67965.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: October 25, 2021.

Ryan Majerus,  
Deputy Assistant Secretary  
for Policy and Negotiations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Successor-In-Interest Determination
- V. Affiliation and Single Entity Treatment
- VI. Particular Market Situation Allegation
- VII. Discussion of the Methodology
- VIII. Currency Conversion
- IX. Recommendation

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